



Developing ESG strategy is now a key focus for today's risk manager, WTW survey reveals

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77% of risk managers surveyed believe their role in ESG initiatives and strategy should be active or more active

LONDON, Nov. 30, 2022 (GLOBE NEWSWIRE) -- More than half of risk managers are significantly involved in their organisation's ESG efforts, but 77% believe they should take an active or more active role in ESG strategy and initiatives, according to the 2022 ESG Global Risk Managers Survey from WTW (NASDAQ: WTW).

WTW surveyed 312 corporate risk managers world-wide. One third said ESG currently influences risk management strategy, and an additional 9% said it is set to do so during the next two years. However, only 35% of North American risk managers – and fewer in other regions – expect to have documented ESG risk management targets and milestones within two years.

Nonetheless, ESG is high on corporate agendas, with 74% of respondents stating that an improved ESG score is a core focus for their business. Regional differences are large, with ESG priorities highest in the Asia Pacific region, with the survey indicating this is lower among North American companies. Overall, 24% of US companies have set ESG risk management targets with clear milestones.

Where ESG figures in current regional business priorities, by region	APAC	EMEA	LATAM	North America
"Risk management should take a (more) active role in ESG initiatives and strategy"	95%	75%	89%	66%
"Improving our ESG score is a core focus for the business"	90%	83%	75%	57%
"Our organisation has clear and specific ESG goals"	70%	68%	76%	58%

Source: WTW 2022 ESG Global Risk Managers Survey

Most respondents believe that management of environmental liability risks influences ESG standing, and three quarters have taken actions to address environmental liability and climate risks (four fifths in APAC). However, many have done so without adopting specific goals or key performance indicators.

Risk management and governance intersect most frequently in due diligence linked to risk advisor, broker, and insurance-carrier appointments and reviews. Two thirds of risk manager respondents say they are extensively involved in these areas, compared with around 40% that carry out similar work related to suppliers and investment opportunities. Risk managers identified key social-risk-management priorities as data privacy and cyber risk (97%), workplace safety (88%), product liability (79%), and employment practice liability (78%).

Lisa Lipuma, Director of Enterprise Risk Consulting, North America, WTW, said: "Many organisations equate ESG risk with reputational risk, but to manage ESG effectively it must be broken down into measured, manageable risks, and a risk management process established around them. Companies should first take a ground-up look at what ESG is, then identify the specific risks they face through a risk-mapping exercise. Finally, they should assess the impact, likelihood, and velocity of each risk before bringing them into the enterprise risk management framework. Our ESG analytical capabilities can help our clients understand their ESG exposure and help with ESG risk mitigation strategies."

About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help organizations sharpen their strategy, enhance organizational resilience, motivate their workforce and maximize performance.

Working shoulder to shoulder with our clients, we uncover opportunities for sustainable success—and provide perspective that moves you.

Learn more at wtwco.com.

Media contact

Sarah Booker: +44 7917 722040
sarah.booker@wtwco.com